

May 25, 2022

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

In Re: Docket Nos. 2022-1-E and 2022-3-E, Annual Review of Base Rates for Fuel Costs of Duke Energy Progress, LLC and Duke Energy Carolinas, LLC

Dear Ms. Boyd:

Please find enclosed for filing in the above-referenced dockets a Stipulation between Duke Energy Progress, LLC ("DEP") and Duke Energy Carolinas, LLC ("DEC"), and the South Carolina Coastal Conservation League and Southern Alliance for Clean Energy ("CCL/SACE") (collectively, the "Stipulating Parties"). The Stipulation resolves issues between the Stipulating Parties regarding DEP and DEC's calculation of the Transmission and Distribution Capacity ("T&D Capacity") component of the Net Energy Metering ("NEM") value stack in the above-captioned proceedings, pursuant to the NEM Methodology approved in Commission Order No. 2015-194 and modified in Order No. 2021-569.

Under the Stipulation, the Stipulation Parties have agreed that in the 2022 DEP and DEC annual fuel proceedings, a \$0.000000 value for the T&D Capacity component is reasonable at this time. The Stipulating Parties have agreed to work diligently and in good faith with one another to reach agreement about reasonable underlying assumptions and methodologies for developing the T&D Capacity component in order to populate this value with a non-zero value in the 2023 DEP and DEC annual fuel proceedings. The value will be informed by the modeling being developed by DEP and DEC as discussed in Docket No. 2019-182-E, and subject to any changes by the Commission, the Parties have agreed to calculate the T&D Capacity component over the expected twenty-year life of solar PV systems pursuant to the requirements of Commission Order No. 2021-569.

DEP, DEC, and CCL/SACE believe this Stipulation is consistent with South Carolina law and in the public interest, and respectfully request that the Commission approve and adopt the Stipulation.

Thank you for your consideration of this matter.

Sincerely,

s/Kate Mixson

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